



## U.S. Department of Justice

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### **FORMER BARRINGTON MAN SENTENCED TO 32 MONTHS IN FEDERAL PRISON FOR FRAUD IN BANKRUPTCY CASE OF FORMER HEBRON BUSINESS, FEDERAL TELECOM, INC.**

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation, today made the following announcement:

United States District Judge Philip G. Reinhard today sentenced **JOHN S. MIDDLEBROOK**, 62, of Florida, formerly of Barrington, Illinois, for bankruptcy fraud. On September 14, 2007, Middlebrook was found guilty in federal court in Rockford on seven counts of bankruptcy fraud and related false statements, following a five-day federal jury trial. Middlebrook was the majority owner and president of Federal Telecom, Inc., an Illinois corporation, which filed bankruptcy in August of 2001. Federal Telecom's manufacturing facility was located in Hebron, Illinois.

Evidence presented at trial established that Middlebrook filed false documents and made false statements under penalty of perjury by failing to fully disclose all assets and liabilities in the Federal Telecom bankruptcy filed in the United States Bankruptcy Court in Rockford, Illinois, on August 24, 2001. The evidence further established that Middlebrook falsely testified under oath at bankruptcy hearings in order to conceal secret transfers of Federal Telecom assets, product and sales to Polyclosures, Inc., another corporation created and controlled by Middlebrook. In addition, Middlebrook failed to disclose approximately \$1,135,502 he personally owed to Federal Telecom and fraudulently kept the proceeds of a \$9688 insurance company check belonging to the bankruptcy estate of Federal Telecom.

The case was investigated by the Rockford office of the Federal Bureau of Investigation, and was prosecuted in federal court by Assistant United States Attorneys Michael D. Love and Scott A. Verseman.

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